



# PUBLIC NOTICE

Federal Communications Commission  
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Washington, D.C. 20554

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DA 09-1847  
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## DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF QUALSTAR COMMUNICATIONS, INC., TO DEFIANCE HOLDINGS, LLC

### STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 09-139

**Comments Due: September 4, 2009**  
**Reply Comments Due: September 11, 2009**

On July 23, 2009, Qualstar Communications, Inc. (Qualstar) and Defiance Holdings, LLC (Defiance) (collectively, Applicants), filed an application pursuant to section 63.03 of the Commission's rules seeking approval to transfer of control of Qualstar to Defiance.<sup>1</sup> Qualstar, an Ohio corporation, is a local exchange provider to small business customers in Ohio. Qualstar is jointly owned by the Harpest Revocable Trust u/a/d May 29, 2004 whose grantors and co-trustees are Todd Robert Harpest and Deborah Kay Harpest (37 percent); Kisha Merkel (39 percent); and Julie Latham (22.7 percent). All of the shareholders of Qualstar are U.S. citizens and do not have any ownership interest in any affiliate that provides domestic telecommunications services. Defiance is an Ohio limited liability company that, through its affiliates, provides local exchange services to residential and small to medium size business customers in the Ayersville, OH, Arthur, OH, and Sherwood, OH exchanges. Defiance is jointly owned by three dominant local exchange carrier affiliates: Ayersville Telephone Company (33 1/3 percent), Arthur Mutual Telephone Company (33 1/3 percent), and Sherwood Mutual Telephone Association, Inc. (33 1/3 percent).<sup>2</sup> Defiance and Qualstar entered into a stock purchase agreement whereby Defiance will acquire all outstanding stock of Qualstar and Qualstar will become a wholly-owned subsidiary of Defiance. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment

<sup>1</sup> 47 C.F.R. § 63.03; *see* 47 U.S.C. § 214. The Applicants filed supplements to their domestic section 214 application on August 13, 17 and 20, 2009.

<sup>2</sup> The Board of Directors for Ayersville Telephone Company are: Milo Crockett, Charles Kruse, Dan Limber (President), Phillip Maag (Secretary/Treasurer), Fred Marckel, Ken Marckel, Larry Retcher (Vice President) and Robert Zimmerman. The Board of Directors for Arthur Mutual Telephone Company are: Sue Becher, Laurie Cashman, Donald Johnson, Eric Roughton (Secretary/Treasurer), Vincent Sholl, Richard Thomas (Vice President), Richard Wagner (President/Chairman) and Gene Weidenhamer. The Board of Directors for Sherwood Mutual Telephone Association, Inc. are: Lynn Bergman, Max Haver, Virgil Hoene (Vice President), Rex Speiser (Secretary/Treasurer), John Wirth (President) and Michael Woodring (Manager). All of the Board members for Ayersville Telephone Company, Arthur Mutual Telephone Company and Sherwood Mutual Telephone Association, Inc. are U.S. citizens and do not own a ten percent or greater interest in any telecommunications company.

under section 63.03(b)(2)(ii) of the Commission's rules<sup>3</sup> and that a grant of the application will serve the public interest, convenience, and necessity.<sup>4</sup>

Domestic Section 214 Application Filed for the Transfer of Control of Qualstar Communications, Inc., to Defiance Holdings, LLC, WC Docket No. 09-139 (filed July 23, 2009).

## **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before September 4, 2009**, and reply comments **on or before September 11, 2009**. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31<sup>st</sup> day after the date of this notice.<sup>5</sup> Comments must be filed electronically using (1) the Commission's Electronic Comment Filing System (ECFS) or (2) the Federal Government's e-Rulemaking Portal. *See* 47 C.F.R. § 63.03(a) ("All comments on streamlined applications shall be filed electronically . . ."); *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Comments may be filed electronically using the Internet by accessing the ECFS, <http://www.fcc.gov/cgb/ecfs/>, or the Federal e-Rulemaking Portal, <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to [ecfs@fcc.gov](mailto:ecfs@fcc.gov) and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.

### **In addition, e-mail one copy of each pleading to each of the following:**

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., [fcc@bcpiweb.com](mailto:fcc@bcpiweb.com); phone: (202) 488-5300; fax: (202) 488-5563;
- 2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, [tracey.wilson-parker@fcc.gov](mailto:tracey.wilson-parker@fcc.gov);
- 3) Heather Hendrickson, Competition Policy Division, Wireline Competition Bureau, [heather.hendrickson@fcc.gov](mailto:heather.hendrickson@fcc.gov); and
- 4) Jim Bird, Office of General Counsel, [jim.bird@fcc.gov](mailto:jim.bird@fcc.gov).

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<sup>3</sup> Applicants assert that Qualstar is non-dominant and provides service exclusively outside the geographic areas where the dominant Defiance affiliates provide service.

<sup>4</sup> 47 C.F.R. § 63.03(b)(2)(ii).

<sup>5</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: [fcc@bcpiweb.com](mailto:fcc@bcpiweb.com); url: [www.bcpiweb.com](http://www.bcpiweb.com).

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For further information, please contact Tracey Wilson-Parker at (202) 418-1394 or Heather Hendrickson at (202) 418-7295.

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